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Jeffrey M. Nelson Chief Counsel & Director of Legal Services

July 11, 2017

VIA ELECTRONIC FILING

Jocelyn G. Boyd, Esquire Chief Clerk & Administrator Public Service Commission of South Carolina 101 Executive Center Drive, Suite 100 Columbia, South Carolina 29210

RE: Application of South Carolina Electric & Gas Company for Approval to Sell Real Property Located at 6011 Shakespeare Road, Columbia, South Carolina

Docket No. 2017-208-E

Dear Ms. Boyd:

By this letter, the South Carolina Office of Regulatory Staff ("ORS") herby notifies the Public Service Commission of South Carolina ("Commission") that ORS has reviewed and discussed with South Carolina Electric & Gas Company's ("SCE&G" or "Company") personnel the Company's request to sell real property located at 6011 Shakespeare Road, Columbia, South Carolina ("Property"). South Carolina Code Ann. § 58-27-1300 (Supp. 2015) requires the Company to obtain permission from the Public Service Commission of South Carolina ("Commission") when the Company wishes to "sell, assign, transfer, lease, consolidate, or merge" real property with a fair market value in excess of \$1,000,000.

The Property consists of approximately twenty-four (24) acres of land and fourteen (14) buildings that has a fair market value of more than \$1,000,000. SCE&G will publish a notice of availability in relevant newspapers, informing the public, with a description of the Property and the length of the bidding period. At this time, SCE&G has not determined the bidding period but at a minimum, and in compliance with Order No. 92-931, SCE&G will accept bids for at least 30 days.

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In accordance with the FERC Uniform system of Accounts prescribed for public utilities, as adopted by the Commission, proceeds from the transaction related to the buildings will be recorded to depreciation reserves and any gain from this transaction related to the land will be recorded in Account 421.1000 entitled "Gain on Disposition of Property." This request will not affect retail rates or prices, or require any change in any Commission rule, regulation or policy. Based on our review of the information provided, ORS does not object to the Company's request for approval to sell the Property.

Thank you for your consideration in this matter and please do not hesitate to contact me if you have any concerns regarding the matter above.

Sincerely,

Jeffrey M. Nelson

cc:

K. Chad Burges, Esquire (via E-Mail) Joseph Melchers, Esquire (via E-Mail)